



cc: DM's RSM
RM's ROM
SR's
RR's

F. V. Natale
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KAM's

AM's

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letter only

November 7, 1996

date 11-7-96

To: Division Managers Retail Managers Key Account Manager
Sales Representatives Retail Representatives Account Managers

Re: Pricing Strategies

Ladies and Gentlemen,

The attached information outlines our new pricing strategies effective immediately.

In the past, we have changed the pricing strategy to adjust to PM heavy up activity. When the activity subsided, we readjusted the strategy back to normal. In an effort to minimize the communication that occurs each time a change is made, two separate "response" strategies are included in this packet. Response A will be used when PM activity is normal and Response B when PM is in a heavy up discounting mode. You will be notified relative to which response is to be used in the marketplace. A strategy tree is included for each response plan.

Please read the information over carefully. There are a few changes that need to be understood. These are addressed in the "Key Points" section of the letter. I found it helpful to lay the two strategy trees next to each other and analyze the differences to better understand the strategies.

AS STATED IN THE LETTER, WE WILL BE EXECUTING OUR "B" RESPONSE THROUGH YEAR'S END.

If you have any questions after reviewing the attachment, please contact your manager or myself in Buffalo.

Sincerely,

Fray

F. V. Natale, RBM

cc: B. Roth
S. MacLeod

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